

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	: Chapter 11 Case No.
	: :
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
	: :
Debtors.	: (Jointly Administered)
	: :
	: :
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**ORDER GRANTING LBHI'S MOTION, PURSUANT
TO RULE 9019 OF THE FEDERAL RULES OF BANKRUPTCY
PROCEDURE, FOR AUTHORIZATION AND APPROVAL OF SETTLEMENT
AGREEMENT WITH THE PENSION BENEFIT GUARANTY CORPORATION
THAT PROVIDES FOR, *INTER ALIA*, PAYMENT OF \$127,600,000 IN RESPECT
OF PENSION BENEFITS FOR PLAN PARTICIPANTS AND THEIR BENEFICIARIES**

Upon the motion, dated May 7, 2009 (the "Motion"), of Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors-in-possession (collectively, the "Debtors" and, together with their non-debtor affiliates, "Lehman"), pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") for authorization and approval of a settlement agreement with the Pension Benefit Guaranty Corporation regarding the termination of the Lehman Brothers Holdings Inc. Retirement Plan (the "Settlement Agreement"), all as more fully described in the Motion; and a statement in support of the Motion having been filed by the Official Committee of Unsecured Creditors [Docket No. 3681]; and an objection to the Motion having been filed by George E. Di Russo [Docket No. 3711] (the "Objection")¹; and the Court having jurisdiction to consider the Motion and the relief requested therein in

¹ A duplicate copy of the Objection was filed at Docket No. 3729.

accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with the procedures set forth in the amended order entered February 13, 2009 governing case management and administrative procedures [Docket No. 2837] to (i) the United States Trustee for the Southern District of New York; (ii) the attorneys for the Official Committee of Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; and (vi) all parties who have requested notice in these chapter 11 cases; and personalized notice of the Motion and the Settlement Agreement having been provided to each of the plan participants and their beneficiaries, and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion, the Statement and the Objection; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby,

ORDERED that the Objection is overruled; and it is further

ORDERED that the Motion is granted; and it is further

ORDERED that, pursuant to Bankruptcy Rule 9019, the Debtors' entry

into the Settlement Agreement is approved; and it is further

ORDERED that the Debtors are authorized to execute, deliver, implement and fully perform any and all obligations, instruments, documents and papers and to take any and all actions reasonably necessary or appropriate to consummate the Settlement Agreement and perform any and all obligations contemplated therein; and it is further

ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation and/or interpretation of this Order.

Dated: New York, New York
June 3, 2009

s/ James M. Peck
UNITED STATES BANKRUPTCY JUDGE